GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:7
ANSWERED ON:10.08.2007
DECLINE IN TAX COLLECTION
Deora Shri Milind Murli

Will the Minister of FINANCE be pleased to state:

(a) whether the tax collection from insurgency-hit Northeast and Naxalite affected States of Chhattisgarh and Jharkhand has dipped as reported in the 'Times of India' dated June 10, 2007;

(b) if so, the reasons therefor; and

(c) the percentage of tax collected from these insurgency-hit States during the last two financial years?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a)&(b) : No, Sir. The tax collections have not dipped. The direct taxes registered a growth of 19.60% in 2006-07 from Bhopal, Guwahati and Patna Zones which consist of Chhattisgarh, North-East and Jharkhand respectively, whereas in case of indirect taxes, a growth rate of 16.70% was registered during 2006-07 over the previous year from the States of North-East, Chhattisgarh and Jharkhand.

(c) : As far as direct taxes are concerned the revenue constituted 4% and 3.5% of net direct collections during the years 2005-06 and 2006-07 respectively. In so far as indirect taxes are concerned the percentage of share of Central Excise revenue collected from the States of the North-East Region, and the States of Chhattisgarh and Jharkhand together to the total Central Excise collection was 8.2% and 9.0% during 2005-06 and 2006-07 respectively.